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рванк снияси, юдню Approved For Release 2006/08/09 : CIA-RDP81M00980R000200060008-6 CLAIBORNE PELL, R.I. GEORGE MC GOVERN, S. DAK. GEORGE MC GOVERN, S. DAK, DICK CLARK, IOWA JOSEPH R. BIDEN, JR., DEL. JOHN GLENN, OHIO RICHARD (DICK) STONE, FLA. PAUL B. SARBANES, MD. MURIEL HUMPHREY, MINN.

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United States Senate

COMMITTEE ON FOREIGN RELATIONS WASHINGTON, D.C. 20510

October 3, 1978

Executive Registry

The Honorable Stansfield Turner Director Central Intelligence Agency Washington, D. C.

Dear Admiral Turner:

Enclosed are galley proofs of a 1956 executive session hearing of the Committee on Foreign Relations. being sent for the agency's review prior to publication The Department of State has no objection later this month. to its release.

Sincerely,

Enclosure

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## CIA

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## BRIEFING ON HUNGARIAN AND MIDDLE EAST SITUATIONS

[Editor's Note.—Four months after the 84th Congress adjourned, the Senate Foreign Relations Committee reconvened for an emergency briefing on developments in Egypt and Hungary. A week before the adjournment, Secretary Dulles had withdrawn the offer of American aid to build the Aswan High Dam, and President Nasser had nationalized the Suez Canal Co. to tap its tolls as a means of financing the dam's construction. Britain and France strongly objected to the seizure, citing the rights of canal company stockholders, and the need for normal canal operations to maintain the flow of oil to Europe. A compromise proposal from Secretary Dulles, for a Suez Canal Users Association to temporarily operate the canal until all sides had agreed on compensation for the stockholders, was rejected by Nasser.

[On October 29, Israel invaded the Gaza Strip and the Sinai Peninsula, and moved rapidly towards the Suez Canal. The following day, Britain and France issued an ultimatum for both Israel and Egypt to move their troops back ten miles from the canal zone. When Israel agreed and Egypt refused.

[On October 29, Israel invaded the Gaza Strip and the Sinai Peninsula, and moved rapidly towards the Suez Canal. The following day, Britain and France issued an ultimatum for both Israel and Egypt to move their troops back ten miles from the canal zone. When Israel agreed and Egypt refused, Britain and France bombarded Egyptian airfields, and landed troops at Port Said. Their objective was defeated, however, when the Egyptians sunk dozens of ships to block the canal. As the fighting continued, the United States protested the British and French violation of a 1950 agreement not to use force in the Middle East, and introduced resolutions in the United Nations for a ceasefire and withdrawal. On November 6, Britain, France, Israel, and Egyptingreed to a ceasefire, and shortly afterwards U.N. Emergency Forces arrived in the canal zone to keep peace.

[The turmoil in the Middle East also influenced events in Eastern Europe. For months, popular discontent and demands for liberal reforms had shaken Poland and Hungary. Emboldened by successes in Poland, Hungarian protesters took to the streets to demand withdrawal of Soviet troops and the return of Imre Nagy as Premier. On October 23 Nagy took office, and after five days of riotous clashes with students and workers the Soviet Union agreed to remove its troops from Budapest. Nagy announced free elections, an end to one-party rule, and withdrawal from the Warsaw Pact. But after the invasion of Egypt, the Soviet leadership reversed its concessionary policies and sent tanks and artillery back into Budapest to crush the Hungarian Revolt. Nagy was removed from office, abducted, and executed in the Soviet Union. The United States condemned the Soviet action and pressed for a U.N. response, but limited its own role to providing relief aid and assistance to the thousands of refugees leaving Hungary.]

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## MONDAY, NOVEMBER 12, 1956

United States Senate, Committee on Foreign Relations, Washington, D.C.

The committee met, pursuant to call, at 10:40 a.m., in the committee room, U.S. Capitol Building, Senator Walter F. George (chairman) presiding.

Present: Senators George (chairman), Green, Fulbright, Sparkman, Mansfield, Morse, Long, Wiley, Hickenlooper, Langer, and Aiken.

Also present: Mr. Marcy, Mr. Freeman, Mr. Denney, and Mr. Valeo, of the committee staff; Herbert Hoover, Jr., Under Secretary of State; Allen W. Dulles, Director of Central Intelligence; Arthur S. Flemming, Director, Office of Defense Mobilization; Admiral Arthur W. Radford, Chairman, Joint Chiefs of Staff; Robert Murphy, Deputy Under Secretary of State; Low W. Henderson, Deputy Under Secretary of State; Francis O. Wilcox, Assistant Secretary of State; and Herman Phleger, Legal Adviser, Department of State.

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